TRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) Tractors of engine capacity not exceeding 1800 cc are fully exempted from excise duty. Tractors of engine capacity exceeding 1800 cc attract an excise duty of 15.75 per cent *ad valorem*.

(b) and (c) The prices of tractors are not fixed by the Government as there is sufficient competition in the tractor industry to keep a check on the prices. There has been no change in the extent of excise duty exemption on tractors during the last three years. The market prices of tractors for the last three years are as under:—

Prices of tractors
(Rs. in thousands)

| Month & Year | 25 H.P. | 35 H.P. | 45 H.P. |
|---|---|---|---|
| April,'88 | 86 | 105 | 114 |
| April,'89 | 93 | 115 | 125 |
| April,'90 | 103 | 129 | 142 |

The above information on prices is illustrative. In the absence of price control, the prices of tractors vary according to the manufacturing costs of different models.

**Effect of Curbs by United States on Indian Exports**

1037. SHRI V. NARAYANASAMY:
SHRI SHIV PRATAP MISHRA:
SHRI SURESH PACHOURI:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware that the varification imposed by the United States on Indian exports is causing hardship to the exporters and that there is curb on investment flows between India and the United States;

(b) whehter Government have taken up the issue with the United States Government;

(c) if so, what is the reaction of the United States Government thereto; and

(d) by when a final decision is likely to be taken in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL): (a) Government is not aware of any curbs on investment flows of any verification requirements on Indian exports imposed by the US Government. Investment flows to and from India are regulated by the Foreign Exchange Regulation Act and policies prevailing from time to time.

(b) to (d) At the Indo-US Economic and Commercial Sub-commission held in Washington in April, 1990 the Indian delegation mentioned a number of impediments that still exist on Indian exports, including countervailing duties and anti-dumping investigations, textiles quotas and health and sanitary regulations. The US delegation pointed out that Indian Government policies and practices severely restrict potential Us investment. Both delegations agreed to look into these issues further.

Similar matters are also being discussed multilaterally in the Uruguay Round of negotiations. The Round was expected to be completed by December, 1990 but has had to be extended. It is not possible to say when these negotiations would be completed.

**Cotton Export**

1038. SHRI V. NARAYANASAMY: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that his Minister have turned down the proposal for export of cotton to other countries;

(b) whether it is also a fact that there is good harvest of cotton this year in the country; and

(c) if so, what are the reasons for which his Ministry are not allowing the export of cotton?

THE MINISTER OF TEXTILES AND FOOD PROCESSING INDUSTRIES (SHRI HUKMDEO NARAYAN YADAV): (a) No, Sir.

(b) The Cotton Advisory Board at its meeting held on 17th December, 1990 had estimated a production of 122 lakh bales of cotton during the 1990-91 cotton season against the production of 133.50 lakh baless during the 1989-90 season.

(c) During the 1990-91 cotton season quotas for export of 12.55 lakh bales of cotton have so far been released, including one lakh bale released through transfer and additional one lakh bale.

**Introduction of Single Window Clearance for 100 per cent Export Oriented Units**

1039. SHRI V.. NARAYANASAMY: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that Government propose to introduce single window clearance machanism for 100 per cent export oriented units and free trade zone in the country; and

(b) what are the other benefits which Government propose to extend to such units?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PUROSHOTTAMDAS PATEL): (a) All approvals in respect of 100 per cent EOUs and EPZs are granted by Boards of Approval, seperately constituted for both schemes. With a view to facilitate single window clearance, all concerned Government Departments are represented on these Boards.

(b) 100 per cent EOU/EPZ scheme is periodically reviewed with a view to consider grant of such benefits as would make the scheme attractive to Exporters.

**Decline in demand for indian goods in British and European Markets**

1040. SHRI ATAL BIHARI VAJPAYEE:
SHRI PRAMOD MAHAJAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that of late the demand for Indian goods in British and European markets have declined;

(b) whether it is due to the availability of better quality goods from China, Singapore, Malayasia, Hong Kong, Taiwan, South Korea and other countries; and

(c) if so, what steps are being taken by Government so as to make Indian goods competitive in foreign markets?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PUROSHOTTAMDAS PATEL): (a) No, Sir. In fact India's overall exports to Britain and European markets (both East and West) have actually been increasing during the last three years as will be seen from the statement appended.

(b) Does not arise.

(c) It is the continuous endeavour of the Government to facilitate increased exports of Indian goods.

**Statement**

(Rs. in crores)

| | 1987-88 | 1988-89 | 1989-90 | 1990 (April-Nov.) |
|---|---|---|---|---|
| U.K. | 1033.38 | 1164.89 | 1601.63 | 1349.42 |
| West Europe | 4362.85 | 5473.31 | 7660.76 | 5889.47 |
| East Europe | 2593.00 | 3356.00 | 5336.00 | 4034.00 |

SOURCE: DGCI&S, Calcutta.